

## **Legal Issues in ‘Honest and Concurrent Use of Marks’**

**Issue: Can the Defense of Honest Concurrent Use be Relied Upon For the Use of Surnames as Trade marks?**

## Relevant Legal Provisions

### ❖ Section 2(m), The Trade Marks Act, 1999 –

- “mark” includes a device, brand, heading, label, ticket, **name**, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof” (emphasis supplied)

### ❖ Section 11(1), The Trade Marks Act, 1999 –

- “11. Relative grounds for refusal of registration: (1) Save as provided in section 12, a trade mark shall not be registered if, because of----
  - (a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or
  - (b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark.there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”

## Relevant Legal Provisions (Contd.)

### ❖ Section 12, The Trade Marks Act, 1999 –

- *“Registration in the case of honest concurrent use, etc.—In the case of honest concurrent use or of other special circumstances which in the opinion of the Registrar, make it proper so to do, **he may permit the registration by more than one proprietor of the trade marks which are identical or similar (whether any such trade mark is already registered or not) in respect of the same or similar goods or services, subject to such conditions and limitations, if any, as the Registrar may think fit to impose.**” (Emphasis supplied)*

### ❖ Section 35, The Trade Marks Act, 1999 –

- *“Nothing in this Act shall entitle the proprietor or a registered user of a registered trade mark to interface with any **bonafide use by a person of his own name** or that of his place of business, or of the name, or of the name of the place of business, of any of his predecessors in business, or the use by any person of any bona fide description of the character or quality of his goods or services.” (Emphasis supplied)*

## Relevant Judicial Decisions

- ❖ ***GD Goenka Institute of Education and Research v. Anjani Kumar Goenka and Ors.* [2009 (40) PTC 393 (Del.)]**
  - *“There are two parts of the doctrine of honest concurrent use. First part is that the adoption must be honest and the second part is that there is concurrent use of the trade mark with another trade mark. There is however a third salient feature on the applicability of this doctrine and which is that conditions and limitations can be imposed by the Registrar of Trade Marks while allowing registration of one or more trade mark which are identical or similar in case there is found a case of honest concurrent user. This third part will also, as will be seen, be an important aspect while issuing directions for disposing off the appeal. Taking up the aspect of honesty in adoption we are clearly of the view that the adoption by the appellant by the word "Goenka" in the name of its institution is honest.....”*

## Relevant Judicial Decisions

❖ *GD Goenka Institute of Education and Research v. Anjani Kumar Goenka and Ors.* [2009 (40) PTC 393 (Del.)] (Contd.)

- “..... Under this provision at the time of registration of trade marks which are found to be deceptively similar, power has been vested in the Registrar to allow such registration in case of honest concurrent user subject to certain conditions and limitations i.e. such restrictions and directions which the Registrar may impose. The object of this provision is that if there are similar trade marks in the market then in such circumstances, in order to ensure that there is no confusion amongst the public, directions can be issued to ensure that the public in general do not confuse the goods and services of one trade mark with that of another, at the same time allowing rival traders who have carried on their business under their trade marks because such Trade Marks have been used by both such persons for such time that it has become distinctive qua such traders.” (Emphasis supplied)

## Relevant Judicial Decisions (Contd.)

❖ *Somashekar P. Patil v. D.V.G. Patil* [AIR 2018 Kant 135]

- *...in view of Section 35 of the Act, even a registered user or a registered trade mark proprietor could not interfere with bona fide use of a person of his own name or that of his place of business. Respondent-Defendant used surname "Patil" as bona fide user on basis of his family name, which was commonly used in area where their family came from. Just because surname of Appellant-Plaintiff was 'Patil', that itself was not a ground to injunct Respondent-Defendant from using word 'Patil' in his trade mark. It was a right of a person who carried surname from ages together whose family namely was alike might be for many reasons, and that was their fundamental right.” (Emphasis supplied)*

## Relevant Judicial Decisions (Contd.)

- ❖ ***Varun Gems v. Precious Jewels and Ors.* [RFA(OS)(COMM) 6/2019]**
  - *“Section 35 of the Act entitles a person to use his own name even if that name is the registered trade mark of some other person. However, the pre-condition is that the said person must be using his name bona fide and is not to deceive the public or to create a doubt or confusion in the mind of public. Section 35 of the Act does not permit passing off..... The bona fide use in terms of Section 35 of the Act would mean an honest use by a person of his own name without any intention to deceive and without any intention to ride on the popularity or goodwill of a registered mark.” (Emphasis supplied)*

## Relevant Judicial Decisions (Contd.)

### ❖ *Reddy Pharmaceuticals Ltd. v. Dr. Reddy's Laboratories Ltd.* [(2008)ILR 1Delhi1223]

- “...The learned Single Judge has, in that view of the matter, correctly held that the similarity of the goods, identity of the trademarks and the consumers as also the dishonest concurrent use of the trademark "Reddy" all leave no manner of doubt that the **adoption of the trade mark "Reddy" is not honest or in good faith** and that the whole purpose underlying the said deceptively similar adoption was to encash the enormous trade reputation and goodwill of the plaintiff in the trademark "Dr. Reddy" which is synonymous with that of the plaintiff..” (Emphasis supplied)
- “There is identity of goods, identity of trade mark and identity of consumers. **The defendant is not at all an honest and concurrent user of the trade mark "Reddy"** and it is apparent on record that it has started using the trade mark "Reddy" on its pharmaceutical preparations in bad faith knowing fully well that the plaintiff company has enormous trade reputation and goodwill in the trade mark "Dr. Reddy" which is completely associated with plaintiff and has acquired a secondary meaning in business circles.” (Emphasis supplied)



## Relevant Judicial Decisions (Contd.)

- ❖ ***Skipper Limited v. Akash Bansal and Ors.* [C.S. No. 7 of 2016, Calcutta High Court, August 9, 2017]**
  - *“Section 35 is in the nature of an additional limit on the rights of registered proprietors and seeks to protect traders in their **bona fide use of his own name** or the name and place of business or of descriptive words. The law recognises and preserves the right which every man has to use his own name, provided that the user of it is not in any way fraudulent, and to apply to his goods any bona fide description of their character or quality. The section is intended to safeguard traders in cases where a registered trade mark consists of a personal name or the name of the place of business, or of descriptive words without the use of which other traders would find difficulty in describing their goods.... There cannot be any doubt that even if the defendant could succeed in a plea of own name user under Section 35, which factually, however, the defendants have failed to establish, the fact remains that having regard to the common field activity, the use of the word mark "Bansal" is likely to deceive and **the defence of honest and bona fide user is not sustainable.**” (Emphasis supplied)*

## Conclusion

- ❖ The opinions of various High Courts, on the question as to whether the co-existence of surnames as trade marks can be supported by the argument of honest concurrent and bonafide use, are varied.
- ❖ Even if trade mark registrations are allowed for surnames, a person doing an act in excess of this right which results in deception, the act should be restrained in an action of passing off/ infringement.
- ❖ To sum up, it is important to understand that in the absence of a statutory prohibition, surnames may be allowed registration. However, registration itself may not grant exclusivity on the same.
- ❖ Moreover, the trade mark may not be enforceable against other trade marks unless a high degree of distinctiveness and reputation is established, alongwith the malafide intention of the subsequent proprietor.

# THANK YOU!

## Questions?

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